

VZCZCXYZ0004
PP RUEHWEB

DE RUEHBU #1522/01 3092012
ZNR UUUUU ZZH
P 042012Z NOV 08
FM AMEMBASSY BUENOS AIRES
TO RUEHC/SECSTATE WASHDC PRIORITY 2413
INFO RUCNMER/MERCOSUR COLLECTIVE
RHMCSUU/FBI WASHINGTON DC
RHMFIUU/DEPT OF JUSTICE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RHMFIUU/HQ USSOUTHCOM MIAMI FL
RHEFDIA/DIA WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC

UNCLAS BUENOS AIRES 001522

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [PREL](#) [SNAR](#) [KCRM](#) [KJUS](#) [EFIN](#) [AR](#)
SUBJECT: ARGENTINA: GOVERNMENT MOSTLY SILENT SO FAR ABOUT
EMBARRASSING MIAMI VERDICT

REF: (A) BUENOS AIRES 1477 (B) BUENOS AIRES 1405 AND
PREVIOUS (C) BUENOS AIRES 1475

¶1. (U) Summary: The November 3rd guilty verdict in the trial of convicted illegal Venezuelan agent Franklin Duran was front page news in Argentina November 4. Key prosecution witness Guido Antonini-Wilson (A-W) was also quoted in most dailies after he repeated in his first press interview his contention that the money in the suitcase intercepted August 2007 was destined for the political campaign of President Cristina Fernandez de Kirchner (CFK). The convincing nature of a jury verdict appeared to change the tone of press coverage, with local dailies giving a straightforward description of Duran's guilt and several commentators drawing links between the campaign finance scandal, general government corruption, and the country's emerging financial crisis. Only Minister of Justice Anibal Fernandez took up the Kirchner cause with any vigor, continuing the argument that key prosecution witness Guido Antonini-Wilson had lied, first admitting the suitcase and money were his on arrival in Argentina last August and then changing his story to support a politicized prosecution. Opposition leader Elisa Carrio noted that the "crime of Hugo Chavez and the Kirchners is now proved. At least in other countries, justice is served." End Summary.

Government Silence and Rising Suspicions

¶2. (U) Argentine media on November 4 noted that the GOA was largely silent regarding the November 3 conviction of illegal Venezuelan agent Franklin Duran in Miami. The conviction was described as proving Duran's relationship with Hugo Chavez and, by extension, the veracity of taped statements by Duran and other conspirators that the USD 800,000 intercepted and confiscated by GOA authorities on August 4, 2007, was bound for the Kirchner presidential campaign. Prosecution witness Guido Antonini-Wilson's statements to the press November 3 that the money came from Venezuelan state oil company PDVSA and was bound for the CFK presidential campaign was also given wide publicity. A-W also spoke extensively about his intentions to clear his name in Argentina and that he had hired a lawyer to do so. He asserted that he had been in the presidential palace the day after his arrival, something the GOA has denied repeatedly.

¶3. (U) Daily "La Nacion" writer Mariana Veron attributed the muffled GOA response to its hope that the A-W "suitcase scandal" was about to fade. Some may have expected a hung jury or mistrial in the case. Instead, noted Veron, the judgment came just as local media are paying increasing attention to investigations of the Kirchners' campaign

finance. Lead "La Nacion" columnist Joaquin Morales-Sola developed an understated yet stinging critique of the first couple, noting first that the illicit money transfers seemed proven; A-W, he thought, might have been wrong to believe the money was bound for the CFK campaign, however, since "Cristina didn't need these resources for her campaign, but that it was possible the monies were part of a steady transfer of illicit funds between Venezuelan and Argentine officials. Thus the reality may be worse than Antonini-Wilson suggested." he noted. Morales-Sola suggested that while Argentines, unfortunately, were willing to look past government corruption during good economic times, the timing of the Miami verdict would hit the Kirchner presidency hard because citizens were less tolerant of corruption during hard times (reftel C). Like several other writers today, Morales-Sola noted that the rest of the "Valijagate" affair had to be revealed by Argentine justice and that to date its investigation had been wanting. Investigative judge Petrone, he noted, was campaigning for a position on the federal appeals court, a judicial position assigned by the Council of Magistrates, where the ruling party has sway. "The judge's ambition is, at the least, inopportune," said Morales-Sola.

Anibal Fernandez Sticks to His Points

¶4. (U) Minister of Justice Anibal Fernandez again took the lead for President Fernandez de Kirchner in response, appearing on government-supported television news network C5N to impugn witness A-W's credibility. He said the GOA thought the legal proceedings in the Duran trial were intended to "stain the country, to cover the lives of Argentines in mud,

in order to reward one person and punish another." Of Duran, he said, "we don't care if they set him free or convict him."

Fernandez emphasized that A-W had acknowledged ownership of the cash-filled bag on arrival in Argentina in August 2007 and that only later had "some lawyer" convinced him to change his story. Fernandez questioned A-W's claim to have been at the presidential palace, asking then "why isn't there any photo."

And We Stick to Ours

¶5. (U) In response to press inquiries, the Embassy Press Officer gave a short statement late November 3 in which she emphasized the independence of the judicial proceedings and the USG commitment to positive and productive bilateral relations. The statement received prominent placement in Argentina's two most influential and highest circulation dailies, "Clarín" and "La Nación."

Opposition Takes Aim

¶6. (U) Opposition Civic Coalition leader Elisa Carrio took the opportunity to note that the "crime of Hugo Chavez and the Kirchner couple was proven." She added that "not only had both governments been delinquent, but both had tried to cover up the crime from their own justice systems." The verdict showed the "absolute institutional decline and the network of enrichment and bribery between the two governments."

Comment

¶7. (SBU) The Duran conviction took even more space in the front pages than did the U.S. election, which is being obsessively followed here. Although the government will continue to question the Franklin Duran verdict, its hope at this point is probably that it disappear from the headlines quickly. The relatively rapid and efficient U.S. judiciary handling of the case (a final jury verdict rendered in less than a year from the December 12, 2007 arrest of the Venezuelan defendants) has only served to highlight the convoluted Argentine legal process (under which the case has

been moved among prosecutors and is still in a discovery stage). The unanimous jury verdict has sharply undercut the GOA efforts to delegitimize revelations from the trial. While the GOA has brought this political damage on itself, we need to continue separating administration policy vis-a-vis Argentina from the Miami legal process. At this point, a more forceful reaction from the Kirchners would probably do them more harm than good, a calculus that (if they share it) should limit the diplomatic fallout from the verdict. Whether CFK addresses the issue at a regularly scheduled public address later on November 4 may give some more indication of their approach. Future media attention will depend on how the GOA reacts and on how A-W chooses to defend himself against charges coming from Argentina.

KELLY